



## DESCRIPTION OF OUR SERVICES AND FEES

The purpose of this document is for IBKR Europe S.à r.l. ("IB EU") to explain certain key facts about us and about our relationship with you (retail client). We believe that you will be best served by a clear understanding of how we work together, the capacity in which IB EU may act and how we charge for our services.

### GUIDE TO OUR GENERAL BUSINESS TERMS

To help you find your way around our General Business Terms, we have briefly summarised their contents below.

**Section 1 (Introduction)** contains basic regulatory information about IB EU, a glossary of key terms and information on where the Agreement applies.

**Sections 2 to 4** contain information on the specific services which we provide. In particular, **Section 2 (Services and Trading)** clarifies the nature of our execution-only services and describes how we execute orders and confirm trades. **Section 3 (Custody Services)** regulates how we protect your money and assets. **Section 4 (Margin Requirement, Security Interest, Netting and Set-Off)** governs the application of our margin policies, provides for the creation of a security interest and regulates set-off and netting between you and, us. We ask you to pay particular attention to the following characteristics of our services:

- We do not provide investment, tax or trading advice (Section 2.1.1).
- You are obliged to accept all executions that are consistent with the instructions specified in your orders (Section 2.2.5).
- You are responsible for protecting the secrecy of usernames and passwords, and you are responsible for trades entered by third parties using Client's username and password. (Section 2.2.4).
- We do not generally make margin calls. However, we maintain the right to immediately close out positions, without notice or liability, in any account that does not have sufficient funds to meet the margin requirement imposed by us or any exchange/regulatory authority. At our sole discretion, given the market or other factors, we may choose to make a margin call and/or may not liquidate account positions. If you receive a margin call you are required to immediately deposit funds to cover the deficiency.

**Section 5 (Our Remuneration)** provides the legal mechanics that enable us to charge for our services, but details of our fees and charges are contained in the "Guide to our Costs and Charges" which refers to the relevant sections of the PRICING page on our website.

**Section 6 and 7** set out the promises we ask you to make us so that we are able to provide you with our services and contain important information about the use of our electronic services. We draw your attention to the limitation of liability clause and the fact that we are not liable for system or network failures and clients who require the highest level of reliability agree to maintain secondary trading facilities (Section 6.1.1).

**Section 8 (Data Protection and Recording)** contains important acknowledgment and authorisations related to the way we obtain, store and transfer personal information. We draw your attention to the instructions and authorisations you provide to us to disclose and transmit your personal information outside Luxembourg in accordance with **Section 8.2 (Client's Consent to the Transfer of Personal Data Outside Luxembourg)**.

**Section 9 (Particular Account Types)** sets out terms which relate to account of particular types, such as when you are joint account holders or are a partnership or an Introducing Broker.

**Section 10 (Complaints and Compensation)** sets out information on how you can make a complaint and circumstances compensation would be available from any official compensation scheme.

**Section 11 (Miscellaneous)** addresses how we deal with conflicts of interest that may arise, sets out the circumstances in which either of us may end our business relationship, explains that the agreement is governed by Luxembourg law and the Grand Duchy of Luxembourg courts have jurisdictions in the case of any dispute.

Please note that this is for your guidance only and in no way overrides the General Business Terms themselves, which set out the basis for our business relationship and prevail in the event of any inconsistency.

## **GUIDE TO OUR COSTS AND CHARGES**

The Agreement we have entered with you makes provision about our fees and charges, and refers you to the Pricing section of our website for a detailed explanation of the costs and charges applicable to your account.

This Costs and Charges Document provides an explanatory guide to our pricing structure. For each of the Costs and Charges listed below, you are referred to the Pricing section of our website. That section hosts a dedicated page for each of the Costs and Charges types, organised by relevant product and market. IB EU will charge you for each Transaction in accordance with our applicable rates for the relevant Service or Transaction on the relevant market, financial instrument or assets. Our charges can be identified as Commissions, Interest and Financing, Subscription to Research, News and Market Data, Required Minimums and Other Fees. An overview of each of these charges is provided below and further details, including applicable examples, are contained in our website.

If you are a client of an advisor or introducing broker, you will have separately agreed with your advisor or broker the costs and charges applicable to their services. The Pricing section of the IBKR website contains further information on how IBKR collects from your account the costs and charges applied by your advisor and broker. Those costs and charges are separate from the commissions, interests, subscription fees and other fees applied by IBKR in relation to the provision of its services.

### **1. Commissions**

We apply commissions on all products, including stocks, ETFs, warrants, options, futures and futures options, single-stock futures, EFPs, forex, fixed income, funds and CFDs around the world.

#### **Fixed Rate Pricing**

Fixed rate plans typically charge a single flat rate per share or contract that includes all commissions and all exchange, regulatory and other third-party fees. Not all fees are included in the flat rate. Some US regulatory fees as well as stamp tax and financial transaction tax are passed to all clients.

#### **Volume-Tiered Pricing**

Tiered plans typically charge our low broker commissions, which decrease based on volume, plus exchange, regulatory, and clearing fees. In cases where an exchange provides a rebate, we pass some or all of the savings directly back to you.

Details, including examples, on how the Fixed and Tiered Plans apply to individual asset classes in different geographic markets are illustrated in our website under **Pricing**, "**Commissions**", within the individual product tab.

### **2. Interest and Financing**

We will charge interest on any amounts due to us, at such rate as it is reasonably determined by us and calculated as further explained below.

We use internationally recognised benchmarks on overnight deposits as a basis for determining interest rates. We then apply a spread around the benchmark interest rate ("**BM**") in tiers, where larger cash

balances receive increasingly better rates, to determine effective rates on:

- Interest Paid to You on Positive (Credit) Cash Balances
- Interest Charged to You on Negative (Debit) Cash Balances
- Contract Interest on Open CFD Positions
- Interest Paid/Charged on Securities Financing.

Please consult the "**Interest Schedule**" included in our website under **Pricing, "Interest and Financing"**.

### **3. Research, News and Market Data**

We generally charge a monthly subscription fee for research, news and market data available through the Interactive Brokers Information System ("**IBIS**"), our comprehensive news and fundamentals research platform add-on to the Trader Work Station ("**TWS**"). The monthly fee varies depending on the type of services (research, research and news, market data) subscribed for. The fees applicable to each of the subscriptions are listed on our website. We retain around 5% to 10% of the monthly fee quoted on the website to cover our administrative and other costs related to the provision of these services. The remainder of the fee is paid to the vendor.

The IBIS Research Platform includes subscription to some research services that are available free of charge. The free services are available to clients but also to non-clients who have opened a demo account and do not require the demo account to be converted in a real account or the account to be funded. Market Data and Research subscription fees are calculated starting from the day of the subscription and applied on the first business day of each subsequent month as long as the services are active. The services are subject to the payment of the monthly fee, where applicable, and the maintenance on minimum equity level on the account. Subscription Minimum and Maintenance Equity Balance Requirements are listed on our website under **Pricing, "Market Data Fees"**.

Please review the "**Research and News**" listing under the **Pricing** section of the IBKR website for a detailed explanation of the charging structure applicable to the research and news services available on the IBIS Research Platform.

Please consult the "**Market Data**" listing under the **Pricing** section of the IBKR website for a detailed explanation of the charging structure applicable to Market Data.

### **4. Additional Pricing Information**

#### **Account Minimums**

We will charge a monthly activity fee if the level of commissions applied to your account doesn't reach a prescribed minimum amount. The monthly activity fee varies mainly depending on your account type and the account average equity balance.

Monthly activity fees per account type are listed on our website under "**Account Minimums**" in the **Pricing** section.

### **5. Other Fees**

In addition to the Commissions, Interests and Activity Fees described above we apply other fees related to:

- the processing of dividends and corporate actions;
- trading related fees for exercise and assignment of futures, options and other financial instruments;
- if we have to cancel or modify an order at your request, in case we need to bust or adjust a transaction for causes that are not imputable to us;
- if we accept an order to close a position over the phone;
- if we facilitate cash movements or process account's withdrawals;
- when your exposure in a margin account is considered as high risk.

We also apply other fees to reflect account maintenance and reporting related activities for clients subject to the European Markets and Infrastructure Regulations (EMIR) or Markets in Financial Instruments Regulation (MiFIR), that requested us to apply for a Legal Entity Identifier (LEI). The fees related to each of the items listed above are explained in detail on our website under "**Other Fees**" in the **Pricing** section.

## 6. Collection of Costs and Charges

Transaction commissions, fees and other charges are charged to the account upon each order's transmission and/or execution. Credit interest is payable and debit interest is charged at such frequency, rates and on such credit or debit balances as set forth above under "**Interest and Financing**". Account Activity Fees, where applicable, are charged to the account during the first week of each month. Similarly, subscriptions to research and market data or special connections are collected monthly on the first week of the following month. Other Fees, where applicable, are charged to the account in the manner described in the "**Other Fees**" section of the IBKR website. Further details are provided on each of the dedicated pages of the IBKR website.

## 7. Multi-Currency Account

The IBKR Multi-Currency Account function gives the ability to trade in products and also make deposits and withdrawals in different currencies using a single account that is denominated in a base currency of the client's choosing. Transaction costs, interests charged or accrued by the client are paid in the currency in which they are incurred. More information on "**Converting Currency Balances**" can be found on the [IBKR Knowledge Base](#). This is not the case for Forex executions where the commission is charged in the base currency of the account, not the denomination of the currency pair traded.

## 8. Costs and charges illustrations

The [following examples](#) show on a hypothetical and best effort basis what impact the costs you may pay will have on the investment return you might get. The total costs take into account one-time, ongoing and incidental costs. The amounts shown assume cumulative costs related to the products traded and services that might be provided to your account. Actual costs might vary.